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Granted

DIXIE

August 31, 1942

Dixie Mining District

Earl F. Hastings

Reconstruction Finance Corporation ✓
Preliminary Development Loan

Docket No.

C-ND-23

Date Application Received

August 19, 1942

Date of Field Examination

August 30, 1942

Date of Report

August 31, 1942

1. Name and address of applicant (correspondent):

C. A. Gillespie, 1708 South First Street, Phoenix, Arizona.

2. Character of project and estimated cost thereof:

Dewater and repair 240 shaft and workings and extend present drifts on lower levels. \$5,000.

3. Location of property:

Dixie Mining District, near Ft. McDowell, Maricopa County, Arizona.

4. Applicant's interest in or ownership of property:

Applicant is equal partner in ownership.

5. Loan requested:

\$5,000.

6. Loan recommended:

\$2,000.

7. Comments:

(A) The only accessible workings, the 70 foot level drift, does not show commercial ore. The vein material is almost completely leached on this level. A winze south of the shaft on this level is reported to have exposed a section which has withstood leaching and is of shipping grade. A dump near the portal of the tunnel shows some ore having sulphide minerals which probably came from this 50 foot winze.

(B) All ore of any value was milled in a 5 ton gravity mill which was erected on the property some years ago. This mill was not successful as mining was not sufficiently selective to maintain commercial mill heads. The tailings from the mill have washed away, but they were reported to contain 40 to 50 per cent of the value of the heads.

(C) There are fragments of ore on the shaft dump which will run high in copper (chalcopyrite and bornite) and will, it is claimed, run 0.5 ounces and up au. This ore is no doubt from the 126 and 240 foot levels where the footwall section of the mineralized area reportedly shows a mining width of shipping ore.

(D) The ore apparently occurs as a series of stringers localized sufficiently to make a mineable width. The material between sulphide stringers is highly silicious. The mineralized stringers vary in width from a knife blade to 2 feet and the commercial width over which they occur is about 4 feet. The entire belt includes other series of stringers of less importance, but which have possible productive value at other horizons; one, on the 126 foot level hanging wall, is said to be particularly interesting.

August 31, 1942

7. Comments (Cont'd.):

(E) The property is not located in any historically productive area, but does have possibilities of becoming a profitable small operation with very little capital required. Examination by the writer did not substantiate claims made for the property as few workings were accessible, but a general impression as above was gained by the visit.

(F) The preliminary development loan should not exceed \$2,000, this amount being ample to unwater, break fresh faces for sampling and examine the property. Following examination a small development loan might be required prior to production. Unwatering can be accomplished partially by an air lift discharging the water at the 70 foot tunnel level, the piping for which is installed if not too badly attached by mine water. A two stage air sump pump can be rented for the balance of the job. Compressor and hoisting equipment are in good shape for this work.

(G) Added to the docket are assay certificates procured from the applicant at the time the property was visited in his company.

ARIZONA DEPARTMENT OF MINERAL RESOURCES

Earl F. Hastings, Assistant Director
and Projects Engineer

Reconstruction Finance Corporation
Mining Division
Report of Supervising Engineer

Docket No C-ND-7732
Date of Examination Inclusive Jan 2, 1943
Date of Report Jan 1943

Preface

A preliminary development loan of \$2000 was approved Sept 10, 1942 to captioned borrower for the purpose of unwatering and repairing shaft and underground workings of applicants Copper mine in the Dixie mining district, near Ft. McDowell, Maricopa County, Arizona. Through the expenditure of the loan funds the proposed program was not completed although an examination was made of that portion which was completed. According to the applicant he was able to unwater only 70 feet of the 240 foot shaft and thinks it is a "dying shame" he did not get sufficient funds to complete the unwatering.

1. Name and Address of Applicant

Clarence A. Gillespie and
Mrs Gertrude Barkley

1708 South First Street

Phoenix, Arizona

Correspondent: Clarence A. Gillespie

Same address.

2. Character of Project

To construct and repair the shaft
and underground workings of applicants
copper mine

3. Location of Mine

In the Dixie Mining District, about
10 miles from Fort McDowell, Maricopa
County, Arizona, and about 25 miles
from Mesa, Arizona, the nearest
railroad shipping point.

4. Applicant

Applicant is incompetent.

5. Loan Requested -

Verbally requested \$3000.

6 Description of Project

The applicant spent \$2000 attempting to unwater a 240 foot shaft, but was able to unwater only 70 feet according to his statement. His reason for the inability to unwater the shaft was the presence of a saturated zone below the 120 foot level. So much water was in this zone that he was able to unwater only 20 feet below the 120 foot level. There was no way to ascertain whether the applicant was telling the truth.

There were two maps; one of the tunnel level 70 feet below the collar of the shaft and one of the 120 foot level 50 feet below the tunnel level. It was observed that water was standing approximately 20 feet below this level and on leaving the shaft there appeared little increase in the height of the water.

Mineralization which could be observed was scant. The vein material exposed in the tunnel level was about 6 feet thick and consisted of leached quartzitic schist, iron sulfate and minor copper

sulfate. None of this material contained commercial ore. The vein dipped 45 degrees and was slightly steeper 50 feet lower.

On the 120 foot level, much obscured most of the vein as the applicant had not broken clean faces which could be sampled. The mineralization appeared to consist of a series of pyrite stringers in the quartzose schist sufficiently close together to form a vein. Copper minerals were not observed.

Samples were not taken as the applicant was interested only in enough money to unwater the shaft to the bottom where rich ore is reported to have been found.

Although there is no evidence to support my belief, I personally believe the applicant pumped all the water from the shaft and on seeing the bottom allowed the shaft to refill just below the 120 foot level. It is unbelievable to think that the applicant used 2500 gallons of fuel and lowered the water only 70 feet.

5

The applicant thinks it is a "crying shame" he did not receive more of the \$5000 loan to unwater the shaft when he was so near to the bottom at the time the \$2000 was expended.

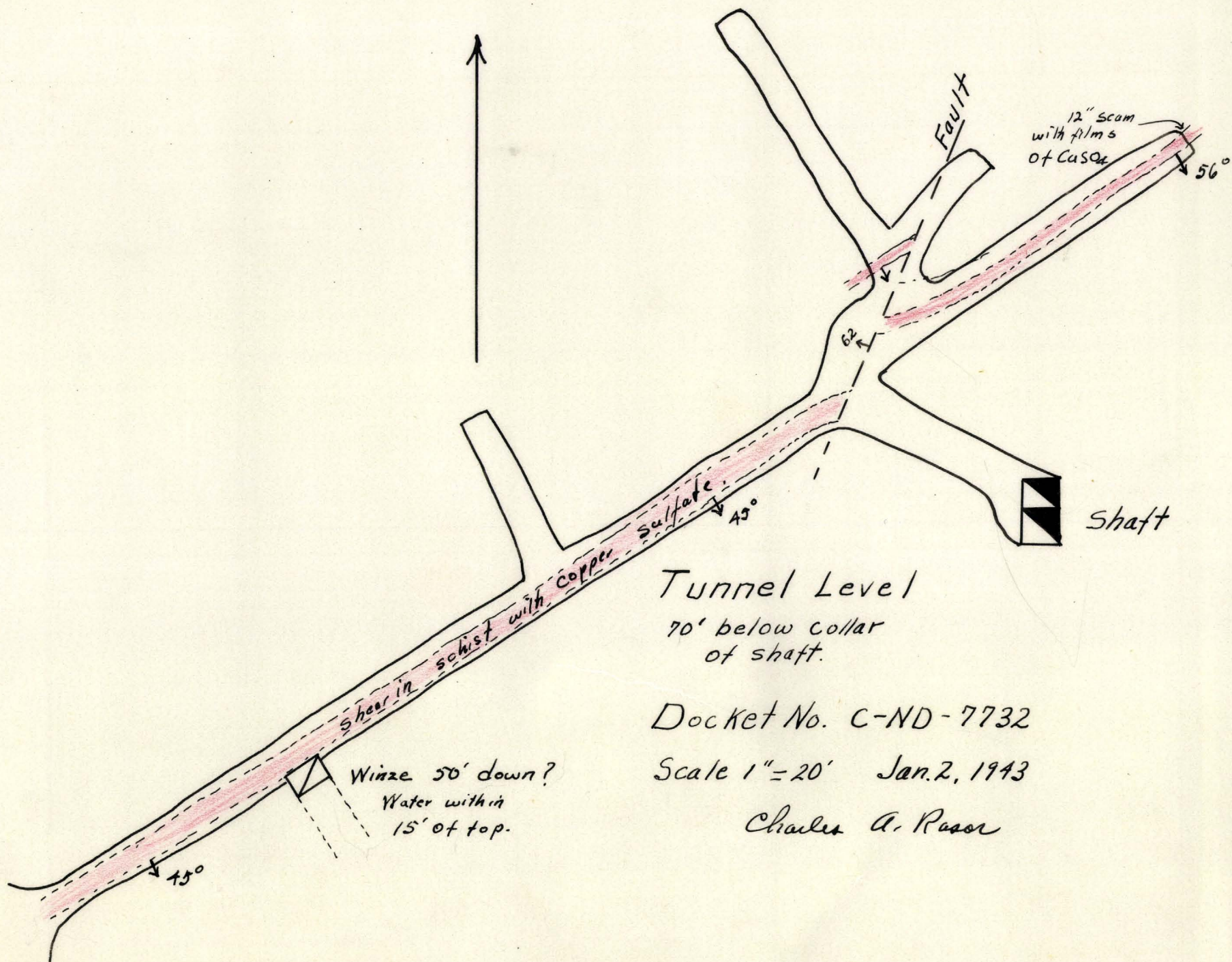
By this time the water had refilled the 70 feet in the shaft and all the money spent was for naught. The expenditure of this loan turned out as Mr. C. A. Rockwood anticipated in his letter of September 1, 1942.

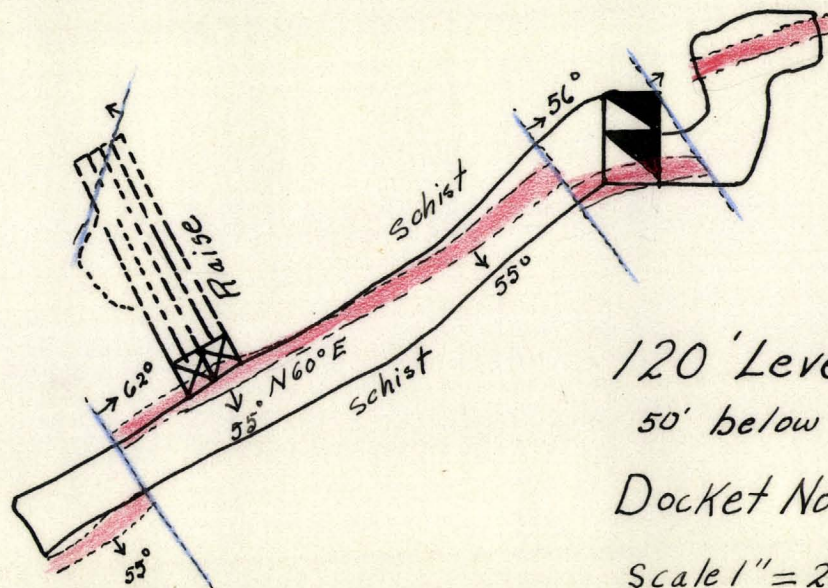
I think too much money has already been spent and do not recommend further monies.

Charles A. Rockwood
S. E.

attachment

Map of 70 foot level
" " 120 " "





120' Level

50' below tunnel level.

Docket No C-ND-7732

Scale 1" = 20' Jan 2, 1943

Charles A. Rason.

Weirs
Cowser

19th day Sept

Making roads

Pumping water

started working pumping Oct 6

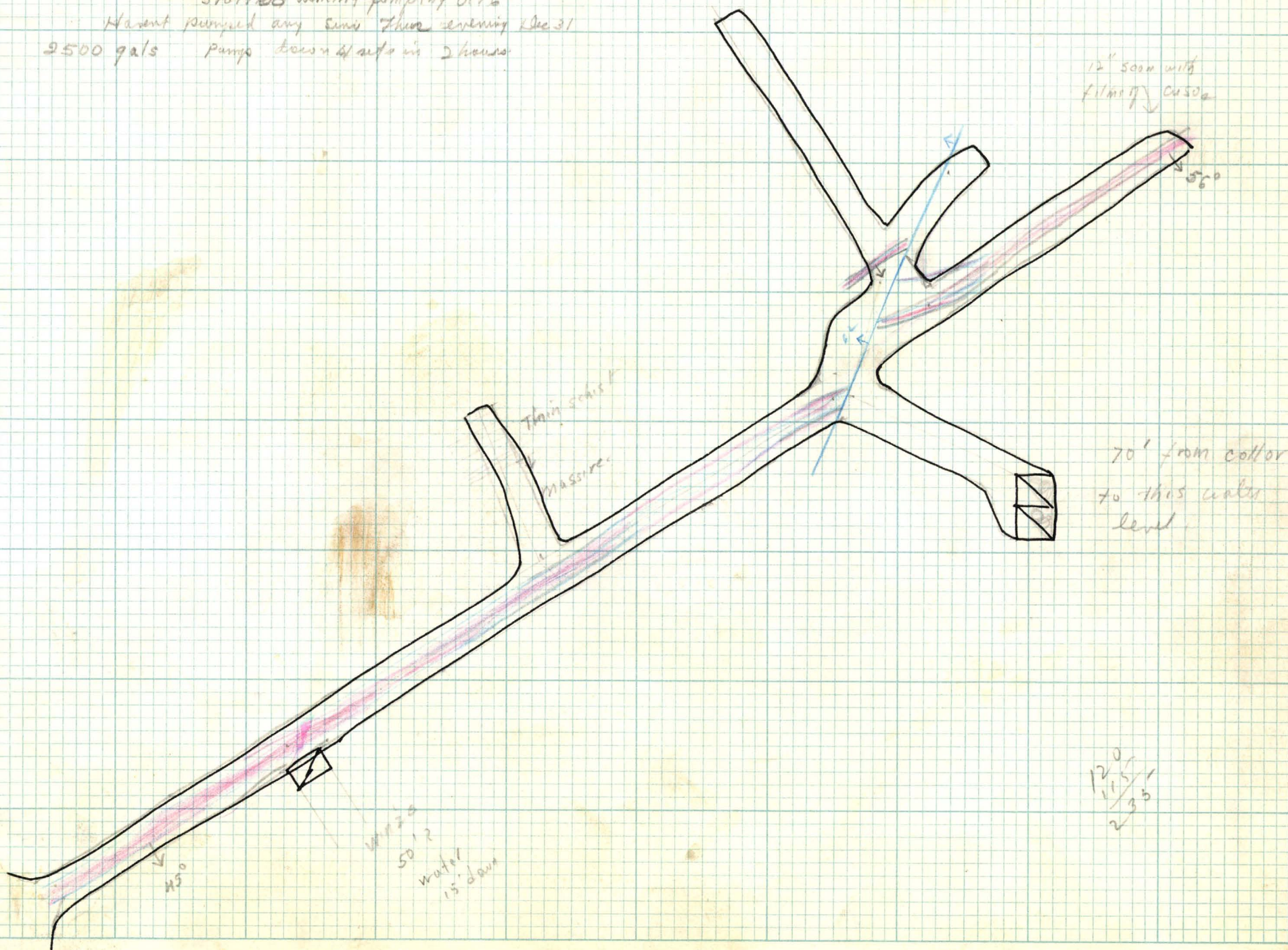
Have not pumped any since then evening Dec 31

2500 gals

Pump broken & out in 2 hours

Jan 2 1943

Scale 1" = 20'



$$\begin{array}{r} 13 \\ 12 \\ 14 \\ \hline 39 \end{array}$$

Super had
7 min

drag folds

N 35° W

Schiff

560

250

Otz. - schist

Shot 115 feet
more from the
land.

RECONSTRUCTION FINANCE CORPORATION
MINING DIVISION

LIQUIDATION REPORT

Borrower: Gillespie and Barkley
Docket No. C-MD-7732
Date of Report: March 23, 1944

1. NAME AND ADDRESS:

Clarence A. Gillespie and
Mrs. Gertrude Barkley
1708 South First Street
Phoenix, Arizona

2. LOCATION OF PROJECT:

In Dixie Mining District, about 10 miles from Fort McDowell,
Maricopa County, Arizona

3. AMOUNT OF LOAN AND DATE OF AUTHORIZATION:

\$2,000 authorized in September, 1942

4. PURPOSES FOR WHICH LOAN WAS EXPENDED:

To unwater borrower's shaft and underground workings.

5. EQUIPMENT:

- a. No equipment acquired with loan funds.
- b. No equipment worth salvaging
- c. None
- d. None

6. PROPERTY:

- a. Property is owned in fee by borrower.

7. COMMENTS:

Operations terminated shortly after my last examination which was made January 2, 1943. Borrower did not complete proposed program of unwatering shaft.

8. CONCLUSION:

The proposed project failed to unwater the shaft and expose any material quantity of ore and apparently the property has little value. Consequently, the loan should be considered a loss.

9. RECOMMENDATION:

It is recommended that this account be closed.

CAR
CHARLES A. RASOR
Supervising Engineer